

**RECOMMENDATIONS OF THE BIPARTISAN "McPHERSON" COMMISSION ON THE POLITICAL REFORM ACT OF
1974**

Rec#	Recommendation	Comment/Implementation
1	Increase FPPC education efforts	\$460,000 Public Education augmentation in 00-01; hired 3 positions, improved website and publications. <i>Program largely dismantled due to \$500,000 cut in 04-05.</i>
2	Raise committee qualification threshold	Concerns over impact in small jurisdictions, or over bifurcated or sliding threshold.
3	Raise major donor qualification threshold	Being discussed as part of strategic plan.
4	Raise receipt and expenditure reporting threshold	See comment to Rec. 2.
5	Raise financial interest disclosure threshold	Commission-sponsored bill doubled income, investment and real property reporting thresholds in 2001.
6	Raise (84308) disqualification threshold	Commission voted to oppose legislation.
7	Eliminate unnecessary or redundant filings	Provides cross-indexing not provided by regular reports.
8	Eliminate unnecessary "sub-vendor" reporting	Commission-sponsored legislation raised subvendor reporting threshold from \$100 to \$500 in 2001.
9	Eliminate unnecessary travel schedules	Commission-sponsored legislation eliminated detailed travel payment disclosure in 2001.
10	Eliminate unnecessary reports of "no activity"	Allows FPPC/SoS to track nonfilers.
11	Eliminate unnecessary reporting of irrelevant "gifts"	
12	Create simple quarterly filing schedule and eliminate other special reports that are not well understood	<i>Commission-sponsored quarterly filing bill failed passage in 2000.</i>
13	[SOS should] Notify candidates and committees of filing requirements	
14	Notify filers of errors and omissions on reports	SOS provides facial review and notifies filers of need to amend.
15	Return contributions if no contributor information	Subsequent Prop. 34 statute and FPPC regulation now require return.

**RECOMMENDATIONS OF THE BIPARTISAN "McPHERSON" COMMISSION ON THE POLITICAL REFORM ACT OF
1974**

16	Consolidate state conflict codes under one agency	<i>Commission-sponsored AB 1558 pending.</i>
17	Centralization of local conflict rules under the FPPC	Requires substantial funding.
18	Consolidation of financial disqualification with campaign contribution disqualification	<i>Commission-sponsored AB 1558 pending.</i>
19	Clarify rule of "reasonable foresight"	Regulation adopted in 2002.
20	Provide fairness and eliminate unnecessary disqualification--especially in case of landowner public officials	
21	Eliminate unnecessary disqualification for small investment interests	\$25,001 materiality threshold for investments in Fortune 500 companies added to Reg. 18705.1 in 2001.

**RECOMMENDATIONS OF THE BIPARTISAN "McPHERSON" COMMISSION ON THE POLITICAL REFORM ACT OF
1974**

Rec#	<u>Recommendation</u>	<u>Comment/Implementation</u>
22	Allow public officials to vote against their interests	
23	Eliminate "strict liability" concept of conflict rules	Commission twice considered a codified standard of care, but decided against it.
24	The FPPC should adopt and apply a statement of general enforcement principles consistent with this report	Streamlined enforcement programs with fining guidelines have been implemented.
25	Private attorney general actions should be limited to serious violations of the Act	
26	Attorneys fees should be awarded to respondents who successfully defend against a private attorney general action	Courts currently have this discretion.
27	Private attorney general actions should be disallowed where the FPPC is pursuing the violation	Also raised in Bell comment letter.
28	Private attorney general actions should be precluded in instances wherein the FPPC has already issued a warning letter	
29	Formal hearings should not be required in order to dispose of matters	
30	The primary criminal prosecutor should not be the FPPC	Recommendation made obsolete by repeal of Prop. 208 provision.
31	Fines should range from \$50-\$5,000 depending on the seriousness of the violation	Commission has adopted fine guidelines in streamlined programs.
32	Subjects of FPPC complaints should be promptly notified and given opportunity to respond	Various concerns, including confidentiality of complainant.
33	Respondents in enforcement proceedings should have an opportunity to view the evidence against them	
34	The Franchise Tax Board should not issue findings that are inconsistent with FPPC interpretation	Inconsistent interpretations are rare, resolved via prosecutorial discretion.
35	Higher level positions should be created at the FPPC in order to recruit and retain qualified personnel	Staff working with DPA to implement.